

25 May 1992

TALK TO BE GIVEN ON A CAREER AS PROPERTY DEVELOPMENT
OR ANY OF IT'S ASSOCIATED INDUSTRIES
AS A COMMERCIAL VENTURE - THAT IS MAKING A CAREER OF
PROPERTY DEVELOPMENT AS AN ENTREPRENEURIAL VENTURE

1. ABOUT PROPERTY

The term property embraces a large number of facets. For example even farms, whether it be game farms or agricultural farming, falls under the ambit of property. Property stands are divided into residential stands, flat development or cluster housing stands, business stands, office stands, hotel stands, garage site stands and so on.

You may have by now have come across a number of people that posses any amount of these properties, that is a conglomeration of farms, hotels, business centres, office blocks, garages etc. You may have also come across people that specialise in hotels only, the very well known Sol Kerzner and his entertainment gambling industry such as Sun City, the Carousal and what is presently being developed near Sun City, the Lost City.

You may enter into different facets of property development and construction, such as hotels which accommodates tourism, etc. or game farming, factories for industry, office blocks, medical centres, hospitals, schools, colleges etc.

I am certain if you all stop to think for a moment what ever is done today, in most instances requires some form of property accommodation.

All these ventures embrace the term "property" in one way or another. Let us examine some points regarding property development which may be looked upon as a good basis for a career.

2. ELABORATE ON DIFFERENT TYPES OF PROPERTIES

2.1 Housing

Look at the question of housing in our country - squatter problem - what a terrific challenge this is for the innovative mind that can come up with a reasonably quick fix solution.

- 2.2 Farming
- 2.3 Township Development
- 2.4 Flats
- 2.5 Business Development
- 2.6 Office Development
- 2.7 Hotels
- 2.8 Garages
- 2.9 Factories

Property is a very important industry and therefore, if one has the talent, possibly the financial assistance then entering a property development career or construction or property ownership, can be very rewarding and enterprising.

3. CONSTITUENTS OF PROPERTY DEVELOPMENT

3.1 Planning

Any property development requires planning, which is either:

3.1.1 Financial Planning, or

3.1.2 The physical planning of the building, be it a hotel, shopping centre or factory. This facet consist of among other:

- The requirements of an architect
..... good career;
- Civil Engineer;
- The quantity surveyor;
- The financial planner who examines whether the project is financially viable or not.

3.2 Construction

The next facet is the construction and here we find various trades, the bricklaying, the plumbing, the electrical, the flooring, the painter, the carpenter, all these individual trades on there own provide a good career, both as an employer and/or an employee. You would have to serve an apprenticeship if you wish to enter any of these trades.

4. FINANCIAL ASPECTS AND FINANCIAL PLANNING

4.1 Property is so important that it is quoted under, at least four separate headings in the stock exchange, namely under:

- L
L
A
B
O
R
A
T
E
-) - Property trusts
 -)
 -) - Loan stock companies
 -)
 -) - Property developers
 -)
 -) - Builders.
 -)
 -) - Estate Agents

You may choose to become a specialist within one of these large corporations or even own one in relation to property development and investment.

4.2 Property Financing

Then we go on to see that property development has a very specialist direction namely that of financing the property development, which forms a very interesting career. This can be broken up into different headings, such as:

- E
L
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E
-) - Banking/Building Society movement
 -)
 -) - The mortgage bond participation movement
 -)
 -) - Syndication.
 -)
 -) - Pension Funds.

All these facets give the opportunity of forming a very interesting career in all instances, both as employee and if you are possibly a wiz kid - an employer.

The challenges are great, the rewards are even greater when successful.

5. PHYSICAL PLANNING

As mentioned the physical planning requires, among other the services of an architect, civil engineer, quantity surveyor and in some instances even that of a land surveyor.

ELABORATE

All these provide an excellent career and special specialist degree courses are available and in some instance courses are available at the Technicon.

By choosing this career you will have a sound understanding of property development, which will not prevent you from making property development a career, whilst at the same time you may be able to use your qualification in the open industry, namely that of architecture, civil engineering, quantity surveyor and land surveyor.

Details can be obtained for each of these careers.

6. CONSTRUCTION

As mentioned there are many facets in the construction side and bear in mind that many property developers have their own construction companies, so a intimate understanding of the construction industry would be very necessary if you wish to put construction under your umbrella. Some property developers "farm out" the construction.

ELABORATE

7. THE REQUIREMENTS TO MAKE PROPERTY DEVELOPMENT OR ANY FACET OF THE PROPERTY INDUSTRY A CAREER

Unless you are so talented, it is strongly recommended that you complete a tertiary education, either at a university or the technicon. You can read for a general commercial degree, such as:

- 7.1 BCom, which gives you a broad commercial base
- 7.2 A chartered accountant, which qualification allows you to be very analytical and provide you with the correct management background.

- 7.3 A BSC degree in building science - an excellent degree that enables you to move into virtually any facet of the building industry and to specialise.
- 7.4 A quantity surveyors degree.
- 7.5 An architect.
- 7.6 A civil engineer.

Any of these degrees will allow you to enter the property market and the direction you choose if you wish to be involved in the financial and business side of the industry.

Naturally, you would have to work yourself up, if you are to be an employee of any one of the large recognised property institutions. You may even become a general consultant, a consultant to pension funds, remember that this is a very important aspect of the financing of the property industry and which shows that for such large amounts to be invested in property by pension funds, how important property as an industry is.

On the other hand you can begin with humble beginnings and start your own business, whether it be as an estate agent who specialises in selling property, an agent who negotiates leases, that is the renting of the property, an agent consultant who puts what we refer to as "deals" together - or creates Turn Key projects.

Really, there is no limit to the ultimate in property development or the property industry and the large spread it enjoys as a business career, but I do stress that it is necessary to enter the industry with a tertiary qualification, as it is a very highly specialised industry today.

I accept that many a great property owner and developer has started from humble beginnings by saving and investing in property, but in order to really go big my advice is, qualify with one of the degrees I have mentioned, as it is always good to have a degree that is negotiable, that is it allows you to move around should you change your mind. Without a tertiary education today or a higher qualification a bit of specialisation, life becomes very challenging and difficult in the outside world.

It must be appreciated that one can talk about various aspects of property development as a business career for hours, if not days, but what I have tried to do this evening is give you a very brief outline and if necessary, if there is any pupil who wishes to seriously consider some aspect of property as a career, I readily make myself available, privately, to have a discussion and give whatever guidance I can and also to arrange for colleagues to be seen, in order to allow you to obtain a better insight into property development as a business career.

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SAHETI SCHOOL : CAREERS EVENING

26 MAY 1992

CAREERS

VENUE

ACCOUNTING	S 3
ADVERTISING - AAA	HALL
ARCHITECTURE	HALL
A E C I	HALL
BEAUTY TECHNOLOGY	HALL
CHEMICAL ENGINEERING	HALL
CIVIL ENGINEERING	MEDIA CENTRE
COMPUTERS - UNIDATA	S 4
DENTISTRY	HALL
DESIGN	S 1
FINANCE - FIRST NATIONAL BANK	HALL
FOOD SCIENCE	M 4
INTERIOR & GRAPHIC DESIGN	HALL
KELLY GREENOAKS (SECRETARIAL, PRO, TRAVEL)	HALL
LAW	S 5
MEDICINE	HALL
NURSING	HALL
OCCUPATIONAL THERAPY	AUDITORIUM
OPTOMETRY	HALL
PHYSIOTHERAPY	AUDITORIUM
PROPERTY DEVELOPMENT	S 5
PSYCHOLOGY	S 6
RETAIL MARKETING (PICK 'n PAY)	HALL
SOCIAL WORK	HALL
TECHNIKON	HALL
WITS UNIVERSITY	HALL

PRESENTATION TIMES

6 pm	Choosing a Career	HALL
6.30	Accounting	S 3
7:00	Psychology	S 6
7:00	Civil Engineering	Media Centre
7.15	Food Science	M 7
7.15	Law	S 5
7.45	Property Development	S 5